

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

Pioneer Industries, Inc.,

Plaintiff/Counterdefendant,

v.

Civil No. 07-4421 (JNE/JJK)
ORDER

Hartford Fire Insurance Company,

Defendant/Counterclaimant.

Pioneer Industries, Inc. (Pioneer), brought this action against Hartford Fire Insurance Company (Hartford) in state court for breach of contract based on Hartford's refusal to pay a claim made by Pioneer on a Hartford commercial crime insurance policy. Hartford removed the action to this Court on the basis of diversity jurisdiction and counterclaimed for a declaration that it was entitled to rescind certain commercial crime insurance policies issued by Hartford to Pioneer. Hartford also sought the return of \$500,000 it paid to Pioneer on a commercial crime insurance policy in 2000.

Hartford moved for summary judgment dismissing the Complaint, a declaration that Hartford is entitled to rescind the commercial crime insurance policies, a declaration that the commercial crime insurance policies are void *ab initio*, and entry of judgment against Pioneer and in favor of Hartford on Hartford's counterclaim, including the return of the \$500,000 Hartford paid in 2000. In an Order dated July 22, 2009, the Court dismissed Pioneer's Complaint and declared void *ab initio* the most recent commercial crime insurance policy, whose policy period began on April 1, 2003 (rescinded Policy). The Court denied Hartford's motion insofar as Hartford sought the return of the \$500,000 paid in 2000 and a declaration that certain lapsed commercial crime insurance policies were void *ab initio*. Because the case was before the Court on Hartford's motion for summary judgment, the Court did not enter judgment at that

time. Instead, the Court ordered the parties to make any appropriate motions on or before Friday, August 14, 2009. The Court stated that if no motion was brought on or before that date, the Court would dismiss Hartford's counterclaim insofar as it seeks rescission of the lapsed policies, order Hartford to return the premiums paid by Pioneer on the rescinded Policy, and enter judgment in this case. The August 14 deadline has passed, and neither party has brought a motion. Accordingly, the Court dismisses Hartford's counterclaim insofar as it seeks rescission of the lapsed policies and the return of the \$500,000 it paid to Pioneer in 2000. Hartford shall return to Pioneer the premiums Pioneer paid for the rescinded Policy.

Based on the files, records, and proceedings herein, and for the reasons stated above, IT IS ORDERED THAT:

1. Hartford's Counterclaim [Docket No. 6] is DISMISSED WITH PREJUDICE insofar as Hartford seeks rescission of the lapsed policies and the \$500,000 Hartford paid Pioneer in 2000.
2. Hartford shall return to Pioneer the premiums Pioneer paid for the rescinded Policy.

LET JUDGMENT BE ENTERED ACCORDINGLY.

Dated: August 18, 2009

s/ Joan N. Ericksen
JOAN N. ERICKSEN
United States District Judge